

HOUSE BILL 3604

By Sontany

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 6, Part 3, relative to taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 6, Part 3, is amended by adding the following as a new, appropriately designated section:

§ 67-6-396.

(a) There is exempt from the tax imposed by § 67-6-202(a) all sales of the following specified property and equipment relating to renewable energy:

(1) Qualified solar water heating equipment;

(2) Qualified photovoltaic equipment and necessarily associated equipment including racks, mounts and inverters;

(3) Qualified wind generator of one hundred kilowatts (100 kW) generating capacity or less and necessarily associated equipment including towers and mounts and inverters; and

(4) A backup system used to store energy produced from qualified photovoltaic property or qualified wind generators of one hundred kilowatts (100 kW) generating capacity or less.

(b) There is exempt from the tax imposed by § 67-6-202(a) any services related to the installation of qualified solar water heating equipment, qualified solar photovoltaic equipment, qualified wind generators, and back up systems for wind and solar photovoltaic electric generation.

(c) As used in this section, unless the context otherwise requires:

(1) "Qualified photovoltaic equipment" means property which uses solar energy to generate electricity, for which the interconnection and safety equipment

is listed by underwriters laboratory (UL). The exemption shall be applied when evidence is provided to the seller of a contract with the Tennessee valley authority generation partners program, or such other state or federal renewable energy assistance or recognition programs as the commissioner may recognize;

(2) "Qualified solar water heating equipment" means any equipment using direct solar energy for the purpose of heating or pre-heating domestic or commercial water use other than for swimming pools; and

(3) "Qualified wind generator of one hundred kilowatts (100 kW) generating capacity or less" means equipment which uses wind energy to generate electricity, for which the interconnection and safety equipment is listed by underwriters laboratory (UL). The exemption shall be applied when evidence is provided to the seller of a contract with the Tennessee valley authority generation partners program, or such other state or federal renewable energy assistance or recognition programs as the commissioner may recognize.

SECTION 2. This act shall take effect July 1, 2008, the public welfare requiring it.